

Issues orders *re*, acceptance of demand drafts in lieu of cash.

OFFICIAL MEMORANDUM.

No. FD 110 RFC 68, BANGALORE, DATED THE 5TH DECEMBER 1968.

According to the provisions of Article 9 (1) (a) and (c) of the Mysore Financial Code no final receipt can be issued until the cheque or the Bank draft is cleared. In this connection, a doubt is expressed in regard to the applicability of the above provisions to demand drafts, since the position in regard to demand drafts is quite different.

2. On examination of this question in consultation with the Accountant General it is considered that a bank draft issued by the Bank is as good as cash in view of the fact that these drafts are issued only on receipt of amount by the Bank. Hence, there is no objection to accept demand drafts issued by the State Bank of India or its subsidiaries as cash and pass final receipt in such cases.

3. Government, therefore, direct that in the case of payment of Government dues, in the form of demand drafts issued by the State Bank of India, State Bank of Mysore and State Bank of Hyderabad final receipts may be granted, subject however to the condition that an indemnity bond in a suitable form is obtained from the parties to indemnify Government against any possible loss to Government.

4. The Heads of Departments are requested to instruct their subordinate officers suitably in the matter. Amendment to Mysore Financial Code will issue separately.

P. V. REVADI,

*Special Officer and Ex-Officio
Deputy Secretary to Government,
Finance Department.*

Discontinuance of the issue of Pay Slips to Gazetted Officers lent to Local Bodies.

REFERENCE:—

- (1) Government Order No. FD 2 RFC 68, dated 6th January 1968.
- (2) Letter No. GM/Genl/966, dated 19th February 1968 from the Accountant General, Mysore, Bangalore.
- (3) Letter No. CSA 56 MGZ 68-69, dated 22nd August 1968 from the Controller, State Accounts Department, Bangalore.

PREAMBLE:—

In Government Order No. FD 2 RFC 68, dated 6th January 1968 it has been prescribed that the Accountant General should intimate direct to the local bodies concerned, the pay and allowances admissible to the officer concerned, as also recoveries to be effected from his salary. The Accountant General in his letter cited second has stated that he would furnish information to the local bodies only regarding the pay of officer and that local bodies would be responsible for regularising the pay and allowances of the officer concerned according to the terms of deputation. Since information regarding only the pay admissible under Government will be furnished by the Audit Officer, the Accountant General has suggested to delete the word "allowances" in items 2 and 3 of the G. O., dated 6th January 1968.

Further, in respect of recoveries to be effected from the salaries of the gazetted officers, on deputation to local bodies the officer himself is responsible for certain types of recoveries, while in respect of others such as I. T., etc., the disbursing officer is responsible for ensuring recoveries. As all recoveries are to be detailed in the L. P. O. issued by the Treasury Officer, *vide* Article 85 (i) of the M. F. C., the Accountant General will not be in a position to furnish information regarding recoveries also. He has, therefore, suggested to delete the word "recoveries" in item 2 of the